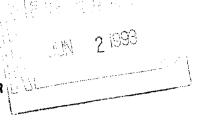
State of New Jersey

DEPARTMENT OF LAW AND PUBLIC SAFETY
OFFICE OF THE ENVIRONMENTAL PROSECUTOR

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STEVEN J. MADONNA
STATE ENVIRONMENTAL PROSECUTOR

ROBERT J. DEL TUFO ATTORNEY GENERAL

May 27, 1993

James Gregory, Esquire Maraziti, Falcon & Gregory 65 Madison Avenue Morristown, New Jersey 07960

Re: Letters of April 29, 1993

Runyon Water Treatment Plant Sludge Issues

CPS/Madison

Dear Mr. Gregory:

This letter is in response to letters dated April 29, 1993 from yourself and Fletcher Platt concerning sludge issues at Perth Amboy's water treatment plant.

Perth Amboy's concern in this matter appears to be the possible increase in cost and potential liability in disposing of sludge that has elevated levels of zinc (above background conditions) due to the zinc plume in the vicinity of supply wells 5 and 6. Perth Amboy has been disposing of significant quantities of sludge without complications based on its zinc concentrations. Thus, there is no current impact on Perth Amboy's sludge disposal situation as a result of zinc concentration. If it can be shown in the future that the zinc concentrations affect disposal options or costs, then Perth Amboy could pursue a claim against Madison and/or CPS to pay for the excess disposal costs. In point of fact, such a claim could be pursued today, although the probable damages are clearly suspect.

The same analysis applies to any potential future liability. Any such claims would, I am certain, result in Perth Amboy asserting a counter claim against potentially responsible parties. However, it is not the State's responsibility to adjudicate these theoretical concerns. Perth

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Amboy is, of course, free to modify its sludge handling practices in any way it deems appropriate to protect its interests within the confines of applicable laws and permits. However, under the current set of circumstances, the State will not mandate, nor will we fund, any such modifications.

Regarding your concerns with the State requesting a sludge handling study, the Department has the following comments. Water treatment sludge is not "clean" as you describe it. It is a concentrated mixture of iron, manganese, aluminum, magnesium, zinc, copper, lead and other naturally occurring metals and other materials. Given the information disclosed at our June hearing before Judge Hamlin it is important to determine whether Perth Amboy's sludge handling practices have had any impact on the ground water. Absent the City's immediate submission of a work plan to evaluate this concern the State will take appropriate measures to assure this work is accomplished in a timely fashion.

For these reasons, the Department will not amend its positions.

Very truly yours,

Charles A. Licata

First Assistant

State Environmental Prosecutor

/bz

c. All counsel of record
Lance Miller, Assistant Commissioner
Paul Harvey, Case Manager
Fletcher Platt, Killam